

Intercarrier Roaming: Consumers Benefiting by Market Forces

WT Docket No. 05-265 July 17, 2007

# Consumers Have Benefited From FCC Reliance on Market Forces

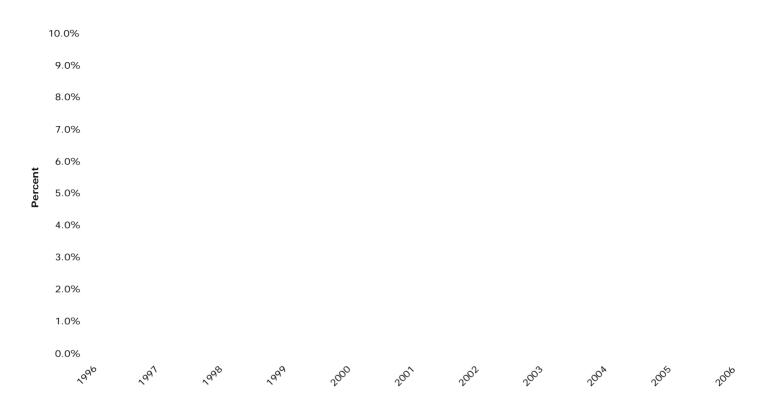
FCC has declined three times (1996, 2000 & 2005) to adopt roaming rules so as to permit market forces to operate.

Consumers have enjoyed spectacular results:

- > Because of continued network build-out, consumers today roam "off net" far less often than they did in the past: 8.2% of all calls in 1996 vs. 1.9% in 2006.
- When consumers do roam "off net" (and choose a plan w/ roaming fees), they pay only a fraction of what they paid in the past: 82¢ in 1995 vs. 4¢ in 2006.
- Consumers also have the option of "one rate" (national, no-roaming fee) plans where they pay nothing extra to roam "off net."



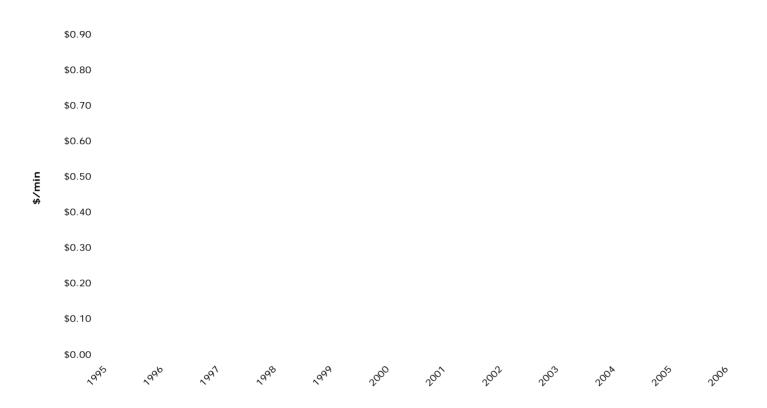
## Percent of Calls Involving Roaming\*



\*Source: CTIA's Wireless Industry Indices Semi-Annual Data Survey Results: A Comprehensive Report From CTIA Analyzing the Wireless Industry, Year End Results 2006 (released May 2007), Tables 106 and 104.



## Average Roaming Revenues per Minute\*



\*Source: CTIA's Wireless Industry Indices Semi-Annual Data Survey Results: A Comprehensive Report From CTIA Analyzing the Wireless Industry, Year End Results 2006 (released May 2007), Tables 109 and 35.



#### Rural Consumers Have Also Benefited From Market Forces

Consumers in rural areas also have access to national, no-roaming fee plans at affordable rates. For example:

- > Alaska Communications offers eight such plans, including a 500-MOU plan for \$59.95
- > MTA Wireless offers four such plans, including a 400-MOU plan for \$49.99
- Nex-Tech Wireless offers seven such plans, including a 500-MOU plan for \$40.00
- Appalachian Wireless offers six such plans, including a 350-MOU plan for \$37.49
- > SLO Cellular offers such plans for as low as \$29.95 for 50 MOUs
- > Mid Rivers Cellular offers six such plans, including a 400-MOU plan for \$44.95
- > SunCom Wireless offers a 300-MOU plan for \$29.99
- Edge Wireless offers six such plans, including a 450-MOU plan for \$49.99

[Pricing listed on carrier web sites]



# There Is No Basis to Adopt Rules for Intercarrier Data Roaming

Competition for mobile data services "is robust" [11th CMRS Report ¶¶ 213-14] and broadband technologies/business model "continue to evolve at a rapid pace" [Wireless Broadband Order n.17]

The FCC concluded that ILECs should not be required to make their broadband networks available to their competitors (to promote investment & competitive networks). Certainly, there is no basis to impose such a requirement on the vastly more competitive wireless market.

[See, e.g., Wireline Broadband Order 20 FCC Rcd 14853 (2005); Triennial Review Order, 18 FCC Rcd 16978 (2003), ¶ 272]

The FCC deregulated Wireless Broadband Internet Access Services only four months ago, thus removing most wireless data services from the umbrella of Title II regulation.

"[N]either the Communications Act nor relevant precedent require a wireless broadband Internet access provider to offer the transmission component of wireless broadband Internet access service as a telecommunications service to anyone." [Wireless Broadband Order ¶ 32]



# Any New Rules Must Recognize That All Carriers Are Not Similarly Situated

Any new roaming rule "would need to recognize that not all carriers are similarly situated" and would "not require carriers to offer roaming agreements to all other carriers on the same terms and conditions." [11 FCC Rcd 9462 ¶ 22]

The FCC has noted that reasonable discrimination promotes public interest by "stimulating intrabrand competition" and efficient use of spectrum." [7 FCC Rcd 4006 ¶ 16]

Uncontroverted record evidence demonstrates that at minimum, FCC must distinguish between:

- > One-way vs. two-way agreements; and
- > Different kinds of two-way arrangements, e.g.:
  - basic/voice, enhanced and seamless
  - Relative footprint/size
  - Areas in which roaming is offered

